RECORDATION 100. 27295-1018

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ALVORD AND ALVORD ATTORNEYS AT LAW 1050 SEVENTEENTH STREET, N W SUITE 301 WASHINGTON, D.C

SURFACE TRANSPORTATION BOARD

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E-MAIL alvordlaw@aol com

OF COUNSEL URBAN A LESTER

February 24, 2010

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

Dear Section Chief.

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of January 4, 2010, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Mortgage previously filed with the Board under Recordation Number 27295.

The names and addresses of the parties to the enclosed document are:

Lessor:

Babcock & Brown Rail Funding LLC

885 Second Avenue, 49th Floor

New York, NY 10017

Lessee:

Iowa Interstate Railroad, Ltd.

800 Webster Street Iowa City, IA 52240

A description of the railroad equipment covered by the enclosed document is:

50 covered hopper railcars within the series FLIX 3506 - FLIX 3894 as more particularly set forth in the attachment to the document.

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

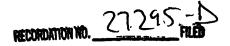
Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/sem Enclosures



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#### MEMORANDUM OF FULL SERVICE RAILCAR LEASE

## SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 4th day of January, 2010 to that certain Master Full Service Railcar Lease dated as of January 4, 2010 between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and IOWA INTERSTATE RAILROAD LTD., a \_\_\_\_\_\_\_\_ corporation (the "Lessee"), pursuant to which Schedule No. 01 has been executed, is made by the Lessor and the Lessee (the Lessor and together with the Lessee, the "Parties").

#### KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, Lessor and the Lessee entered into that certain Master Full Service Railcar Lease dated as of January 4, 2010 and the Parties entered into that certain Schedule No. 01 thereto dated as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars"),

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date set forth below.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the day and year as set forth below.

### BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

	h O2
Ву:	flog 1/m
Name:	George Ftyn
Title:	Vice President
Date:	1/11/10

IOWA INTERSTATE RAILROAD LTD., as Lessee

By:	Mc Situation	
Name: _	Mc Burkent	
Title:	11.000	
Date: _	DAN 6, 2010	_

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STATE OF New york	)	
· / / .	)	SS:
COUNTY OF New York	)	

On James 11, 200, before me, Judia Bedise. Notary Public, personally appeared Leonge. How personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

gha Bine

INDRA BEDASIE

Notary Public, State of New York

No. 01BE6014602

Qualified in Queens County

Contribute Filed in New York County

Commission Expires October 19, 20

STATE OF	Iowa	)	SS:
COUNTY OF _	Livu	)	

On JALL 6.2010. before me, Corolanter Young. Notary Public, personally appeared m.c. Buckert personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Cardynder Grung



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# EXHIBIT A MEMORANDUM OF FULL SERVICE RAILCAR LEASE

Quantity	Car Description	Reportin	ng Marks	and Nu	mbers
Quantity Fifty (50)	Car Description  5161 CF covered hopper railcars, 286,000 GRL capacity, AAR Car Type Code C114, with trough hatches and gravity outlet gates, built by Trinity Industries in 1996.	FLIX FLIX FLIX FLIX FLIX FLIX FLIX FLIX	3506 3509 3522 3533 3537 3541 3546 3559 3564 3568 3570 3576 3577 3588 3592 3598 3600 3603 3604 3617 3624 3628 3631	FLIX FLIX FLIX FLIX FLIX FLIX FLIX FLIX	3650 3667 3677 3679 3681 3693 3709 3715 3720 3732 3738 3739 3740 3743 3746 3748 3770 3780 3796 3805 3839 3855
		FLIX FLIX	3639 3641	FLIX FLIX	3867 3894

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# CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice	in the State of New York and the
District of Columbia, do hereby certify under pena	alty of perjury that I have compared the
attached copy with the original thereof and have t	found the copy to be complete and
dentical in all respects to the original document.	
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Dated: 2 24 10

Robert W. Alvord